FFY 2024 CLEAN WATER ACT SECTION 319 GRANT SOLICITATION ANNOUNCEMENT AND GUIDANCE

<u>DUE DATE FOR NOTICE OF INTENT</u>: **June 1, 2023**DUE DATE FOR APPLICATION: **September 1, 2023**

I. OVERVIEW

The Indiana Department of Environmental Management (IDEM) is seeking applications for projects that will reduce nonpoint source (NPS) pollution in Indiana's lakes, rivers, and streams. Funding for selected projects will be provided by Clean Water Act (CWA) Section 319 NPS Management Program grant funds. This document describes the §319 grant program, who can apply for funding, program priorities for the Federal Fiscal Year (FFY) 2024 application solicitation, match requirements, activities ineligible for funding, how to apply for funding, and other information that will help you plan your project and submit a competitive application.

A two-phase application process will be used for FFY 2024 §319 grant funds. The first phase requires an applicant to submit a Notice of Intent (NOI) by the NOI due date. The NOI is a formal notification of the intent to prepare an application for §319 funding and a brief description of the project. NOI requirements are outlined in Section VIII below. Section 319 applications will only be reviewed from applicants who submitted an approved NOI.

The second phase requires a complete §319 application (State Form 49367/R7) by the due date. Application requirements are outlined in Section IX below. Projects selected for funding will be executed through grant agreements and may begin when the agreement is fully signed by the State, likely in the last quarter of 2024.

II. IDEM'S NONPOINT SOURCE PROGRAM

The CWA §319 provides funding for various types of projects that work to reduce NPS pollution. NPS pollution does not come from a pipe, but results when water (rain or snowmelt) moves across land, such as city streets, agricultural fields and residential areas, and picks up sediment, fertilizers, pesticides, animal wastes, motor oil, and other pollutants. NPS pollution is the leading cause of water quality problems in Indiana and is responsible for many of the impairments identified on the CWA §303(d) List of Impaired Waters (303(d) List). IDEM's NPS Program provides funding and technical assistance to groups that work with citizens to develop locally-based solutions to NPS pollution. Specific ways to address NPS water pollution include conducting watershed inventories and water quality assessments for the purpose of developing comprehensive watershed management plans (WMPs); implementing approved WMPs, including implementation of best management practices (BMPs) that directly reduce sources of NPS pollution; and education and outreach on watershed management.

The Indiana State NPS Management Plan guides the NPS Management Program and its use of §319 funds. The Plan describes Indiana's strategies for reducing and preventing NPS through program implementation. Since all activities and projects must be designed to implement the NPS Management Plan, applicants are encouraged to review it before submitting an NOI; specifically the Goals and Management Measures section.

To be considered for §319 funding, the project sponsor (the entity responsible for the project and its overall success), must be one of the following:

- 1. Municipality
- 2. County Government

- 3. State Government
- 4. Federal Government
- 5. College/University
- 6. Nonprofit 501(c) (3)

III. SECTION 319 GRANT FUNDING PRIORITY CATEGORIES FOR FFY 2024

In an effort to more efficiently meet our NPS Program goals, the focus of §319 funds is on restoration activities that will make measurable improvements in water quality, protect water quality designated uses, and implement Indiana's State Nutrient Reduction Strategy. IDEM established the following four priorities for FFY 2024 funds. Projects focusing on these priorities through planning and implementation activities will be considered a priority for funding. For implementation projects, the critical areas in the WMP must directly align with the priority.

- A. Develop a WMP or implement an IDEM-approved WMP that will reduce nutrient loads within the following 8-digit Hydrologic Unit Code (HUC) watersheds (prioritized in Indiana's State Nutrient Reduction Strategy). See the NPS Priority Watersheds (FFY 2024) map for these HUC8 Priorities, located under 'Helpful Links" on the Nonpoint Source webpage.
 - 1. Upper Wabash (05120101)
 - 2. Middle Wabash-Deer (05120105)
 - 3. Middle Wabash-Little Vermillion (05120108)
 - 4. Middle Wabash Busseron (05120111)
 - 5. Lower Wabash (05120113)
 - 6. Upper White (05120201)
 - 7. Lower White (05120202)
 - 8. Maumee River (04100003, 04100005, 04100007, 04100004)
- B. Develop a WMP or implement an IDEM-approved WMP that includes a 10-digit HUC watershed with a surface water drinking water intake and waters identified in Category 4A and 5A of the 2022 §303(d) List of Impaired Waterbodies. This priority derives from Goal 5, Objective 5.2 of the Indiana State Nonpoint Source Management Plan. See the NPS Priority Watersheds (FFY 2024) map for the Drinking Water Priority watersheds.
- C. Develop a WMP or implement an IDEM-approved WMP that includes a 10-digit HUC watershed that impacts outstanding state resource waters and/or waters with endangered, threatened, or rare aquatic species. This priority derives from Goal 5, Objective 5.4 of the Indiana State Nonpoint Source Management Plan. See the NPS Priority Watersheds (FFY 2024) map for the Protection Watersheds.
- D. Implement a WMP that meets the IDEM 2009 Watershed Management Plan Checklist.

For FFY 2024, innovative projects will be considered on a case-by-case basis. The total amount available for these innovative projects will not exceed \$300,000. Projects will be funded with §319 dollars, therefore must meet all §319 guidelines and rules (see Match and Grant Eligibility Guidance for Sections 319 & 205j Grant Projects). These projects must request \$50,000 or less in §319 funds and be less than three years in length. Some examples of innovative projects of interest to IDEM staff include:

- Demonstration pilot projects of innovative water quality improvement techniques
- Regional or specialty education, training, or outreach programs
- Innovative implementation techniques like single-contractor mass implementation
- Paired grant funding: combine 319 funding with another source to accomplish water quality improvements.

Excluded activities include: monitoring, modeling, source tracking programs, and research. To apply for an innovative project, submit a Notice of Intent (NOI) and a 319 application (State Form 49367), by the respective due dates.

EPA has strongly encouraged states to incorporate environmental justice and climate actions into their 319 programs. In FFY 2024, additional priority consideration will also be given to applicants whose proposals, in addition to meeting the water quality goals of the 319 program, address disadvantaged communities. Disadvantaged communities are those that have been identified by the Climate and Economic Justice Screening Tool (CEJS) as being historically overburdened and underserved. The tool uses data that are indicators of burden in eight categories: climate change, energy, health, housing, legacy pollution, transportation, water, and wastewater, and workforce development. The tool uses these indicators to identify communities that are experiencing socio-economic and environmental burdens and are therefore disadvantaged because they are overburdened and underserved. For the purposes of this application, IDEM will use this tool to identify proposals which include disadvantaged communities. Proposals will be scored and ranked against each other, with priority consideration given to proposals with a greater impact on disadvantaged communities.

§319 eligible projects that address NPS pollution in Indiana but do not meet one of the FFY 2024 priorities above will also be reviewed and considered for funding. The majority of the projects selected for §319 funding will be watershed planning and implementation of an approved Watershed Management Plan.

IV. FUNDING AVAILABILITY

IDEM anticipates that the amount of FFY 2024 funds available for NPS projects will be approximately \$3 million, and approximately 15 or fewer projects will be funded. Funds will be awarded through a competitive grants process. In accordance with U.S. EPA's 2013 guidelines for the award of §319 grants for the implementation of NPS Management Programs, the majority of these funds must be applied to restoring impaired waters through implementation of approved watershed management plans. While there is no defined maximum amount a project may receive, please be mindful of the fact that funds are limited when developing the project budget. Projects may not exceed four years.

V. GRANT MATCH REQUIREMENTS FOR SECTION 319 PROJECTS

IDEM provides sixty percent (60%) of an approved project's total cost with grant funds. A grant recipient must provide the remaining forty percent (40%) of the total project cost as match. This match is required for all approved projects. For example, if the proposed project has a TOTAL cost of \$250,000, the maximum amount of grant funds this project could receive would be \$150,000 and the project sponsor would have to provide a match of \$100,000. Match may be cash or in-kind services. Match cannot come from any federal funding sources or in-kind services of federally-funded positions. For guidance on match and match eligibility see Match and Grant Eligibility Guidance for Sections 319 & 205j Grant Projects.

VI. ACTIVITIES NOT SUPPORTED BY SECTION 319 FUNDING IN INDIANA

Although there are many ways to address nonpoint source pollution, there are limitations on what §319 funds can be used for as a part of a funded project. Please carefully review the <u>Match and Grant Eligibility Guidance for Sections 319 & 205j Grant Projects</u> for information on activities that cannot be funded with §319 funds in Indiana and, unless noted otherwise, cannot be counted as match for a §319 grant. Note that this guidance is not comprehensive and there may be other items that come to our attention that are ineligible.

VII. BUILD AMERICA, BUY AMERICA

The Section 319 program is subject to the provisions of the Build America, Buy America Act (Section 70914 of P.L. 117-58), which requires that federally-funded public works infrastructure construction projects give preference to American-made products. This requirement took effect on May 14, 2022 and applies to grant funds awarded for projects subsequent to that date. In Indiana, this will apply to federal fiscal year 2022 grants and forward.

Additional information on the BABA is available on the <u>U.S. EPA website</u>. At this time, U.S. EPA has approved short-term waivers for the 319 program, recognizing that a structure of support has not been developed specifically for small-program use-cases and may not be available to awardees at this time. However, the waiver decision memo acknowledges the expectation that, during the waiver period, the Agency, states, and communities will work towards building the network and support needed to fully implement the provisions of BABA, which include using made in America iron and steel, manufactured products, and construction materials such as non-ferrous metals, plastic, glass, lumber, and drywall. 319 grantees should use this waiver period to investigate the availability of Made in America products for their cost-share projects so that they are prepared to implement BABA requirements as soon as possible.

VIII. COMPLETE AND SUBMIT A NOTICE OF INTENT

- A. The project sponsor must send an NOI email to NPSGRANTS@idem.IN.gov by **June 1, 2023**, with the information below in numbered order. It is recommended that you review the application instructions before submitting an NOI. It is also recommended that you copy your Watershed Specialist (see Section X) on the email.
 - 1. Name of the project
 - 2. Name of the sponsoring organization
 - 3. Grant funding priority (from Section III) the project is addressing, if applicable
 - 4. Impact of the project on historically overburdened and underserved communities, if applicable. Use the <u>CEJS tool</u> to evaluate disadvantaged communities in the project area.
 - 5. Watershed name(s) and 10-digit and/or 12-digit HUC(s) in the project area
 - 6. Type of project (planning, implementation, other, special/innovative)
 - 7. General description (1 or 2 paragraphs) of the proposed project
 - 8. Committed/anticipated project partners

IDEM will acknowledge receipt of the NOI when the email is received in the NPSGRANTS inbox. NOIs will be reviewed for completeness and project eligibility for §319 funds. NOIs that are incomplete, received after the due date, or are for projects that are ineligible for §319 funds will be eliminated from competition. If there is a question or concern about your NOI, IDEM will contact you. Applicants may withdraw their NOI at any time during the application development process. Please notify IDEM if you do not intend to proceed with your application.

NOTE: IDEM is not responsible for any technical malfunctions or web site problems related to email submissions. Applicants should send their NOI in advance of the submission deadline to avoid technical difficulties.

IX. COMPLETE AND SUBMIT AN APPLICATION

A. Complete the Section 319 Nonpoint Source Pollution Grant Application (<u>State Form 49367/R7</u>). Application forms from previous years will not be accepted. Instructions for completing the form have been posted at https://www.in.gov/idem/nps/progress-evaluation/319205j-grant-application-instructions/. Read the application instructions carefully before completing the application.

Applications are evaluated on a number of criteria, including:

- 1. All requested application information is provided in all sections
- 2. Project addresses one or more of the core priorities (Section III)

- 3. Application demonstrates a clear understanding of the NPS issues within the watershed
- Application demonstrates a clear and feasible plan to address the NPS issues within the watershed
- 5. Application clearly demonstrates partnerships and partnership commitments
- 6. Project will result in water quality benefits that extend beyond the life of the project
- 7. Budget for the proposed project demonstrates fiscal responsibility
- 8. Applicant has demonstrated success with previously funded projects, if applicable
- 9. Education/outreach efforts are targeted and designed to bring about behavioral changes that will lead to reduced NPS pollution in the watershed and, for implementation projects, are focused on promoting cost share and implementing BMPs.
- B. Email a copy of the completed and signed application, letters of full support, and eligible appendices (see application instructions) by the deadline to:

NPSGRANTS@idem.IN.gov

C. Your electronic submittal must be received by IDEM on or before **September 1, 2023**. **Applications and parts of applications submitted after this date will not be considered**. It is recommended that you copy your Watershed Specialist (see Section X) on the email. **NOTE**: IDEM is not responsible for any technical malfunctions or web site problems related to email submissions. Applicants should send their application in advance of the submission deadline to avoid technical difficulties.

IDEM will acknowledge the receipt of the application email when it is received in the NPSGRANTS inbox. Applications will initially be reviewed administratively for completeness and eligibility for §319 funds. Applications that are incomplete, received after the due date, or are ineligible for funding (including applicants that didn't submit an NOI) will be eliminated from competition. Applicants failing administrative review will be notified by email by September 12, 2023. All other applications will be forwarded for technical review. IDEM anticipates notifying applicants of the results of the technical review by October 31, 2023.

X. OTHER RESOURCES

For additional information visit the web sites listed below.

- <u>Nonpoint Source Compendium</u>, including information and guidance about project requirements.
- National Section 319 Program: https://www.epa.gov/nps/319-grant-program-states-and-territories
- Total Maximum Daily Load (TMDL) Program, including TMDL reports.
- The <u>Region 5 Pollutant Load Estimation Model</u>, which may be used to provide load estimations.
- For Quality Assurance Project Plan Guidance, visit
 https://www.in.gov/idem/nps/resources/indiana-nonpoint-source-management-plan/quality-assurance-project-plan-qapp-guidance/

There are several IDEM staff members who can provide guidance on project development; however, we recommend that you first contact the Watershed Specialist serving your region of the state.

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